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PROBLEMS OF SCHOOL DROPOUTS DETAILED

Jakarta MUTLARA in Indonesian 19 Aug - 1 Sep 81, Vol 249, pp 1-4, 15-16

[Article by Dr Antony Z Abidin: "Out of School Doesn't Mean Out of Hope"]

[Text] The question of school dropouts in Indonesia is indeed complicated and has even reached the critical level, according to Vice Minister Abdul Gafur. The total number of dropouts is large, while the causes vary. However, in fact dropping out of school is just like riding in a vehicle which breaks down in the middle of the road. In other words, dropping out of school does not mean losing hope or losing everything.

The total number of elementary, secondary, and university students who drop out of school still cannot yet be stated with precision. A discussion at the Joang Building in Jakarta in July mentioned the figure of 24 million young people who have dropped out of school. However, Dr Soelaeman Soemardi, an official of the National Planning Body [BAPPENAS] who is concerned with the education sector, thinks that we should stick to the results of the last census. Thus he estimates the number of school dropouts from elementary school to the universities last year was about 7 million, although Vice Minister Abdul Gafur estimates the figure at about 14 million.

In a cumulative sense the figure of 24 million may be correct, says Bunyamin Wibisono from the Indonesian Welfare Foundation [Yayasan Indonesia Sejahtera]. However, it must also be recalled that, of that total, there are certainly many who are working. It appears that those who drop out of school for the most part are to be found in the villages.

Dr Mochtar Buchori (LIPI) [Indonesian Science Foundation] thinks that children who drop out of school in the villages in general have the capacity to help themselves. Generally, they are able directly to go to work or to engage in farming, whatever the circumstances may be. The education that they have had is enough to meet their needs in dealing with life.

It is a different matter if they force themselves to continue their schooling in the cities and then fail when they are halfway through, with their education still incomplete, Dr Arief Budiman comments. In the cities there are not enough jobs for them. When they return to the villages, they don't like to work like village people. Their level of education is higher, and they are also accustomed to the

city style of life. Arief recalls that Rendra describes this in the poem, "Seenggok Jagung" [A Pile of Corn], which raises this phenomenon. Our educational system does not end there, which means that it continues. Every person who has once been to school is under pressure to continue his education at a higher level, Arief Budiman says.

Clearly, not all people can complete an advanced course of study. There are many who stop when they are halfway there. According to Tunggul Siagian (a teacher in the PSKD system [Jakarta Union of Christian Schools]), the average basic education at the junior high school level (SLP) is enough for our society at this time. However, out of about 10 million youths of junior high school age (from 13 to 15 years old), there are still a large number who do not attend school at the SLP level.

The Educational and Cultural Research and Development Body (BP3K) reports that 1,172,130 students were attending school in the SLP system during the school year 1979/1980. In 1976 this figure barely exceeded 800,000 students, and of this total figure, 74 percent graduated and 73 percent went on to senior high school (SLA). Thus, a large proportion of them continues in school. A far larger number later chose trade schools, such as technical high schools (STM) and commercial high schools (SMEA), which respectively total 645 and 673 throughout Indonesia and had 235,586 and 211,223 students, respectively, in 1979. This proportion seems reasonable, although, on an overall basis, less than 90 percent of these students complete their education. For the youths who drop out of technical schools, of course they are better able to take care of themselves, compared to those who drop out of the regular schools.

Ability to Help Themselves

As stated by Tardi (18 years old), a student at a technical school in Jakarta, "I deliberately chose a technical high school because I thought it would be easy to get a job." According to Tardi, an STM student who drops out of school and already has a skill has no trouble in finding a job. Or, if he has the capital, he can open his own business.

Mas'ud (29 years old) says it was the same with him when he was still studying at the STM. He was convinced that he could not go on to a higher level of education. While he was attending school, he also worked, including work as a waiter in a restaurant. Later on, he opened a men's clothing store, which was rather successful. Basically a technicians, his capital was not only used for the men's clothing store, or for the women's clothing store managed by a younger sister, but now he has more than 20 pedicabs and a motorized pedicab [bemo]. Mas'ud, a pedicab proprietor in Surabaya, says: "At first, dropping out of school was a necessity for me, because the economic situation of my parents made it impossible to continue."

This does not mean that dropouts from senior high school [SMA] can't do the same thing. A dropout from junior high school can make a beginning for himself in business with a small amount of capital. Rizal (16 years old), together with his parents, owns a small shop in Pasar Genjing in Jakarta. Of course, he is convinced that his business will develop steadily, although slowly. At present he feels he has enough business experience, and this will be an asset for him in the future.

"What could he do, when it turned out that it was no longer possible for Rizal to continue his education," asked his father. Rizal dropped out of school when he was attending junior high school.

School Dropout: Unemployed?

Quoting the results of the BP3K study in 1980, the vice minister for youth affairs, Dr Abdul Gafur, told MUTIARA: At present there are at least 14 million young people who have dropped out of school and have no job. This figure tends to increase each year. To deal with the problem will clearly take time. It cannot be resolved quickly. The GBHN [not otherwise identified] is demanding the adoption of an overall, integrated National Youth Policy. Its components, which would be the basis for this strategy, already exist: a cabinet office under the vice minister for youth affairs; basic guidelines for the development of the younger generation, which previously did not exist; and an integrated system for coordination, based on Presidential Decision Memorandum 23 of 1979.

Beside that there is the Coordinating Body for the Development of the Younger Generation, chaired by the minister of education and culture, with the minister of internal affairs as his deputy, and with several cabinet ministers of the Development Cabinet as members. It is this body which will develop the national youth policy in an integrated way.

Several efforts have been made to protect the interests and to guide the efforts of school dropouts through occupational training, both by the government through the Ministries of Manpower and Transmigration and of Education and Culture, as well as by society itself.

In West Java there is a complete mobile unit which circulates down to the villages to provide electronic education to the young people. However, Vice Minister Abdul Gafur continues, after that, what? It is not easy to answer that, he repeats. Because, in fact, those who have been trained may again get into difficulty. Now, the Coordinating Body has established a team so that, in a comprehensive and inter-ministerial way a basic point of view can be developed in protecting dropouts. It is hoped that the results of the work of the team, headed by Dr Danang, will be complete by next September, in terms of the curriculum, the direction of policy, and the ways of implementing the policy.

According to Dr Mochtar Buchori, the dropouts only begin to be concerned when they cannot immediately find work. In other words, when they are unemployed. In this way two problems appear: the dropout (PS) as a social problem and the PS as an educational problem. For that reason his protection must touch on both of the two problems mentioned above. As a social problem, he comes under the jurisdiction of his home and his relations. There are not a few parents who enforce their wishes on their children, for example in the matter of choosing a school or a field of specialization. The parents are busy and don't pay enough attention to the development of their children. As an educational problem this involves the question of the educational system: how far can a student get help from his school in helping himself after he is no longer going to school.

Vice Minister Abdul Gafur says that, basically, the Commission for Educational Renewal has taken the view that technical training should have a place in the school curriculum. This view has been included in the basic concept. Based on this concept, laws will be developed, and it is on this basis that our educational system will develop. "It is hoped that it will be able to meet our development needs: that is, producing qualified workers," says Dr Abdul Gafur. Perhaps Austria is a good example, he adds. "In the general schools technical trades are taught, so that the graduate of junior high school who does not continue to senior high school can go on to work in a factory."

No One Can Be Blamed

Of the dropouts from elementary schools in the cities, 53.7 percent are a result of financial costs, in village areas the figure is less than that, 43.3 percent. That is based on a survey by the Central Statistical Office (BPS) in 1978. With the abolition of the SPP [not otherwise identified], the financial cost reason should automatically be found less frequently. Husin, of the BP3K, who was in touch with MUTIARA, says the reason for dropping out of school is not exclusively economic but is rather due to the lack of interest and related factors, which cause low school attendance. The causes, according to Husin, may be found in the child himself or in his surroundings.

From research carried out by the Faculty of Psychology of the University of Indonesia (1975-1976) concerning dropouts from senior high school in Jakarta, it has been learned that the reasons repeatedly given for dropping out of school by the dropout himself (a sample of 125 children) are: first, an unfavorable family economic situation; secondly, the influence of school friends; other reasons, a low level of intelligence, a wish to attend another school, or parents who don't urge him to study. The teachers (53 interviewed) have their points of view, in the following order: a lack of interest and encouragement to study on the part of the parents; an unfavorable family economic situation; the influence of friends; a low level of intelligence; and an inability to meet school standards. It appears that the economic reason is still dominant.

Dr Arief Budiman, speaking in almost the same terms as Husin, says that an unsatisfactory school atmosphere can also lead to school dropouts. As a school principal, Tunggul Siagian holds the view that the matter of interest and communications between the parents and the school is very influential for the student. It often happens that the teacher hopes that the parents will come to the school (for example, when report cards are distributed), but only the family chauffeur comes. This circumstance indicates a low level of interest on the part of the parents toward the education of their children. There are also parents who turn over all aspects of the education of the children to the mother. The father doesn't want to know anything about the matter at all. Equal interest on the part of the parents is certainly better.

Manurung, a well-known senior high school teacher in Jakarta, says: "At school we always try as best we can to teach and direct the children to be acquainted with order and study discipline. However, if at home their parents provide an example of living separate lives, that's all wasted."

From the point of view of the parents, Kaharuddin (43 years old), a member of the management staff of a rather substantial private business firm in Jakarta, says: "In fact, the children are lacking something, even if all their school needs have been met--and they don't have to take a crowded city bus--but surprisingly, their school is still unsatisfactory." Kaharuddin admits that relations between teachers and their students are practically non-existent. Although this is the case, he hopes that the teachers at school can develop the children properly. "I also know that the error is not only on the side of the teacher, if they do not succeed in directing the children at school. Indeed, the children are often difficult to manage. However, I think that the teachers should be able to find a way to make the children behave in school," he says. He continues, "the question is how the children behave at home, and that is our problem." He also admits that school activities often lead to a loss of an opportunity to get close to the children themselves.

Meanwhile, a young man named Maks (19 years old) in another connection found difficulty in paying attention to what his father said. "My father indeed may give me what I need for school and other things. However, I often have arguments with him, because father is too self-centered. Whatever he wants, I have to do. I wanted to go to senior high school, but father forced me to go to a middle technical school. I would like to become a psychiatrist, but father wants me to be an engineer. At the middle technical school the atmosphere doesn't agree with me. It's too tense--at times the students fight with each other. I prefer a calmer atmosphere, wherever that might be. The consequence is that I reluctantly have to work with machinery."

Maks is different from Tardi, who chose a middle technical school of his own volition. A father says, "we can only provide a sense of direction by showing understanding first of all and, if possible, avoiding the use of force." This is because, the father continued, "although it may appear that we have succeeded in raising a child physically, it is difficult for us to control what is 'inside' him. Children often react in a hidden way to the authoritarian attitudes of their parents. And in connection with dropping out of school, it would be best if we avoid making accusations as to who is in the wrong, because if we study the matter carefully, we find that everyone is in the wrong, both the parents, the government, and also perhaps the teachers at school."

The Love Factor

The rector of the Teachers' Training Institute [IKIP] in Bandung, Prof Nukman Sumantri, has the same view as Prof Winarno Surakhmad, former rector of the IKIP in Jakarta.

A factor which is also very important is the matter of student-teacher relationships. The teacher must be liked by the students, must be their friend, and must pay special attention to the student who has a problem or difficulty in learning, says Prof Nukman. "Basically, the attitude of love by a teacher for his students must show and be continuously developed," he adds. "In this way it can be hoped that the school atmosphere will be more satisfactory, so that the children feel they can cope with school. I should also say that the background of each child is different. A child who does not receive attention at home must not also fail

to receive attention at school. If there are students who have mental problems (matters of mental health), the question will not be dealt with by just moving the student along as quickly as possible," Prof Nukman says.

Speaking of the question of leadership, according to Prof Nukman people always think of that as being directed exclusively to the pupil, the child. In fact, leadership is needed for all concerned, and the teacher can be the coordinator.

It may also happen that a pupil or a university student may encounter study difficulties because he is not happy with a given teacher. It is not impossible that there may be teachers or instructors who like the students, but they are also human beings who are not immune from attitudes of indifference. For that reason there should be consultations, and the teacher or principal can pay special attention and help in solving the problems faced by every child in school.

Dr Sikiat, a psychologist who has had experience as a counselor in the Sumbangsih junior and senior high schools and has been a consultant counselor at the Bogor Agricultural Institute (IPB), says that the pupil or university student who is a potential school dropout shows this tendency in the following way: his desire for academic achievement is very low; secondly, his performance is below the established standard; thirdly, he has a high rate of absence from school, and his behavior pattern tends to disturb the class; finally, he associates with badly-behaved children who often disturb their friends, fight, or break the disciplinary rules of the school. Such a potential should be recognized by the teacher as soon as possible so that a way of dealing with it may be found.

Dr Sukiati continues: "The way to deal with this is through leadership and counseling. For example, through raising the performance level of the child, helping him to know and develop himself, and so forth. Dealing with it may also take the form of establishing intimate, personal relationships, in which the teacher may become a person who is trusted by the pupil involved and may be able to understand him. It may be that through such efforts a potential school dropout can be saved."

Prof Winarno Surakhmad says: "If we follow the line of thought that dropping out of school is a form of waste, then certainly dropping out of school should be a cause for regret when it happens. By using the assumption that the role of the school is to meet the educational needs of the child, dropping out of school is then the same thing as dropping out of education. But is that true? Now, dropping out of school, as a phenomenon, will continue to occur. And its recurrence is not a surprising consequence, as it is stimulated by the school system itself. It would not be wrong to say that school dropouts, as a problem, are the product of the system itself."

However, Prof Winarno continues, "using another assumption, we can be free to look at them as students who have dared to become 'broken down' youth. In this sense we cannot automatically accuse them by saying, 'you have failed.' Not at all! That would be a specific sign that it is the educational system which has failed. Under this assumption we can acknowledge the 'rights' of every child dropping out of school--without accusing him of belonging to an 'uneducated group'. What is wrong about his dropping out of school, as long as he does not drop out of the

of education. It is clear that, using another assumption, outside of which he can find the level of education which he needs. What is the use of a person being kept in school, all because of the terrible fear of being labeled a dropout, when during the time he is in school he has simply been 'left out' (left out, forgotten and not taken into account)?"

Agreeing with Dr Mochtar Bucheri, Prof Winarno says, "If we look more deeply into the matter, the question of dropping out of school is less important, compared with the question of where the child involved will 'drop in' after he has become a 'drop-out.' In other words, where will he land after he has broken through."

Dr Soerjo, Director of the Jakarta Teachers' Training Institute adds: "What has happened up to now has only developed a mistaken perception of the dropout. The parents feel ashamed; the children suffer from a low opinion of themselves; and society shows a lack of regard for them. The dropout may easily be compared with sick and poverty-stricken people, although in fact there are very many factors-- apart from the factors of intelligence and economic status--which have an influence on him. Indeed, it often happens that there are school dropouts who have no relationship to these two factors. However, clearly it is the school system and the social system which render the first verdict on the dropout."

When we get busy in resolving the question of school dropouts, basically this will only add to the impact of the verdict mentioned above, Prof Winarno says. He continues to say: "However, it would be better if we would just admit that the phenomenon of dropping out of school has begun to be a national question. The number of students involved is rather large--it may involve an average of 60 percent. Certainly, no government wants to be accused of squandering money. However, whether dropping out of school is a question or not, and if it is a question, whether it has reached a critical point or not, basically is only a consequence--not the cause--of the system in effect. What we need to fight against is the consequence of the basic cause: in the basic concept and in the management system."

According to Prof Winarno, thinking of a special field of work for the dropouts or those dropped out, or thinking of an arrangement to prevent waste in terms of those remaining in class, those repeating a grade, or those dropping out, only strengthens the impression that, in fact, dropouts are unwanted members of society. According to Prof Winarno, "the important thing for me is to look at a system as a whole! In fact, what we are looking at is only the question of dropouts. There are still many other questions which also result from the system in effect and which handling cannot continue to be performed in a patchwork way. Of course, it is not my intention to belittle the question of dropping out of school, especially now, when the total number of dropouts is rather large," Prof Winarno concluded.

Unrelevant Questions at the University Level

It has been learned from the World Bank study that dropping out of school in the developing countries happens in most cases because of social, cultural, and economic factors and because of low quality school management. The causes may originate from a variety of sources: the child's personality, the social and cultural surroundings, the personality of the teacher, the school atmosphere, and

Information Available on University Dropouts

Sutjipto Wirosardjono, deputy director of the Central Statistical Office, says that the lack of serious attention to the registration sector in our universities is still relatively unresolved. Indeed, for the private universities (PTS) the figures are very difficult to obtain. The reasons are: First, the system of carrying out educational programs is not supported by a satisfactory administrative effort; secondly, the tendency of state and private universities to pay little attention to administrative work is out of proportion to its importance; thirdly, the lack of attention and interest on the part of the students and the teachers themselves to the matter of registration--for example, there is very little research or discussion involving this sector.

According to Sutjipto, this situation leads to many losses. What is clear is that it is very difficult to find figures on school dropouts per year. Beside that, the losses from the point of view of manpower planning are also substantial. How can we perform planning if satisfactory data and information are not available?

Furthermore, what applies to our society as a whole also applies to our educational world. Sutjipto says that the excessive orientation toward titles and degrees is another form of feudalism. In fact, not everyone must attend university. For example, Japan has a limit of 10 percent. However, in this country everyone has to go to college, and everyone wants to go. Now, won't that keep us busy, he adds. In dealing with such an attitude, we must begin from the beginning and on an overall basis. Agreeing with Dr Abdul Gafur, Sutjipto considers it necessary to have occupational training in the lower schools.

Dr Burhan Magenda sees a new development since the 1970's, that is the increasing, elite status of higher education. Those who get through the screening examinations under Project Perintis I, or the previous Project Skalu, for the most part will be young people from the cities who are rich. They come from good schools. The good schools are generally found in the cities and are expensive. Supposing that a child from the provinces or from a middle class to lower class family enters a good school, he will usually find it difficult to develop together with the majority of his friends in his class, because their points of departure are different. Dr Juwono Sudarsono says the same thing.

Juwono proposes that, if possible, students who have an advantage because of the resources of their parents, for example if their father is an ambassador and has many books or video cassettes, should invite their classmates to share their advantages.

Burhan Magenda proposes a "quota system" like the one in effect in the 1950's and 1960's for students from the provinces and urges that it be revived. A graduate of a provincial university, because its facilities are limited, certainly is in a different position from that of a graduate of the five best-known universities in the country. Burhan gives the example of what the Bogor Agricultural Institute (IPB) has done, saying that "it is very good from all points of view." What's wrong if the best student in the provinces also gets the best education in the country?

He also thinks that it is necessary to expand the scholarship system, because the scholarships available now are inadequate, and they are few in number. This is a responsibility of the government. In a capitalist country like the United States, scholarships and loans which can be paid back after the student has been working for 3 years are broadly available. Both Juwono as well as Burhan Magenda think that leveling out the opportunities in institutions of higher education still needs to be given greater emphasis. If not, the existing tendency toward elitism will become increasingly noticeable. "When the richest and most intelligent enter state universities and pay the least amount of money, isn't this turning things around," asks Burhan.

Private Universities

In general, students who attend PTS [private universities] have already tried to enter state universities. There are many reasons. The cost of studying at a state university is far less than at a private university. Because of that, says Dr. M. Tambunan, secretary general of the Council of Indonesian Private Universities and Institutes (UISI), economic questions are not the principal reason for dropping out of private universities. According to him, there are three reasons for dropping out of the private universities. First, there is studying without any direction. A student enters a university without any plan and, not infrequently, makes the wrong choice. Secondly, there is still a feudal attitude which continues to develop in our society: entering a university only to obtain a degree, not to expand one's knowledge. Thirdly, there is the question of the average economic situation of the Indonesian people, which is far below what is needed to send a child to school through university.

And yet that, according to Tambunan, there is the question of government policy, which makes it difficult for a student to complete his studies. This also leads to dropouts. In this connection at present the UISI is preparing a draft policy to be presented to the Ministry of Education and Culture, in order to find a resolution for the problem.

Our educational system as a whole also influences the process of instruction in the private universities. At least there must be equivalency in study programs. That is, the system which prepares the student to go through to a university and the system for technical and vocational training.

The rector of the University of Krisna Dwipayana, Dr Rusdi Hajerat, thinks that: "In the private universities the possibility of making the wrong choice and thus tending to drop out of school is greater. This is because many students are aware from the beginning that they don't need to continue school as far as university, but circumstances force them to decide to continue their studies, rather than go unemployed."

According to Rusdi, this necessity appears clearly in university students who have come from vocational training schools. When they graduate from such a school, there is no opportunity for work for them. Finally, they must choose between unemployment or continuing on to university. And to enter a state university, they must meet the requirement of working for 2 years. That is not possible, and in the end they choose to enter a private university. "This is very clearly apparent in the technical faculties," he said.

Supposing There is Enough Work Available

If it is believed that there is enough work available, says Rusdi, students from vocational schools really don't need to continue their studies in a university. They have sufficiently developed their theoretical knowledge with practical work. However, the reality is just the reverse. A student from a vocational school, whether he wants to or not, tries to continue his studies, because there are no job openings available. As a result, they enter a university, but without enough preparation. This means intellectual preparation and economic resources. After they enter a university, they fail and drop out half way through.

At the University of Krisna Dwipayana, says Rusdi, the figure of dropouts is relatively high. This is because many students do not finish their courses but go to work instead. For that reason they do not or are too lazy to complete their courses, apart from not having sufficient income or feeling that they no longer need to continue their studies, or they have too little time available. "Should this be called dropping out of school," Rusdi asks.

In any case, Rusdi says that the average proportion of graduates each year, compared to those entering the university, is only about 15 percent. This year the number of students admitted will be about 1,400, while those graduating will be about 200. "This can't be prevented," Rusdi says.

Meanwhile, Dr P Y Francis, first deputy rector of the Indonesian Christian University, says that there are five factors causing students at private universities to drop out of school. First, there is the question of cost, which, it must be admitted, is higher than our average national economic capacity to pay. Secondly, there is the matter of making the wrong choice, or entering a university because they feel forced to do so. Thirdly, there is the status of private universities, which is very much determined by the government [KOTPERTIS]. Fourthly, the motivation of the students is weak. Finally, there is the question of their surroundings.

Francis places greater emphasis on the matter of motivation and the students' surroundings. "Many students in private universities are indigenous Indonesians, but they have no motivation to complete their courses on time. It is far different with students of Chinese descent and naturalized Indonesians, who always try to finish their courses on time and who turn in good performances," Francis says. At Indonesian Christian University there are many students of Chinese descent, but he didn't say how many there were.

Apart from that, Francis says, there is the factor of a student's surroundings. Jakarta, as a commercial city, functions at the same time as an educational city. As a consequence there are students who are influenced by one of the two aspects. Of those influenced by commerce, they go out for making money or work, which causes their studies to fall behind. "Can this be included in the category of dropping out of school" Francis asks. His immediate reply is, "perhaps not."

According to Francis the low level of students admitted is an additional factor. At Indonesian Christian University student applicants who are accepted are those who pass the selection process with satisfactory and nearly satisfactory marks.

However, Indonesian Christian University has a method for helping students who are below standard, using the system of matriculation for 6 months. In this way it is hoped that the new, sub-standard student can expand his field of knowledge. During the matriculation period they are given again the basic subjects they took while in higher level senior high school [SLTA]. By using this matriculation system, since 1974 the dropout figure has been reduced by between 10 and 15 percent per year.

Study While Working

Almost all students dropping out of school admit that the mistake was theirs: they didn't know how to use their time, they were lazy, and they didn't try.

Not a few of them have the intention of continuing their studies while working, but this is very difficult, because at times their work or their studies will suffer.

Johnny Taufik, who is now a businessman, was a student in second year law school who was forced to halt his studies. He says, "My reason was in fact economic. However, I have no reason to feel regret. At present my business is going along well. I didn't succeed in school, but perhaps I can succeed in business."

The same is true with Wirvelmy Nasir, a third year student at Indonesian Christian University, who is a rather successful businessman in Blok M, Kebayoran Baru. "The educational system didn't stop me, and I also had no trouble in following the courses. The main reason why I dropped out of school was due to the cost and the demands of my family, because I also must think of my younger brothers and sisters."

It is apparent here that it is not difficult for young men in their 20's to pay for their education while helping their younger brothers and sisters at the same time. It happens frequently enough, and a number of cases appeared in Blok M, that a young businessman is forced to halt his studies or drops out of school and then tries for a time to make some money. After he has saved enough, he goes back to school while continuing in business. Finally, he achieves both of his goals. This is something which he could not possibly have done, had he only gone to school.

Dropping out of school can indeed be rather serious, but the reverse is also the case. This depends on where we look and what is the attitude of the student. Dr Sudjatmoko himself dropped out of school, but now he occupies a position of honor: rector of United Nations University. Sudarpo, who also left the Faculty of Medicine before finishing the course, but now is spoken of as the Indonesian 'king of ships.' There are many young men who drop out of school who have become "someone." All of them did so because they used dropping out of school as a beginning for the real struggle.

However, if we look at this matter and think of it in a negative way, the nickname of school dropout can be a pinprick which leads to illness.

Do They Drop Out Because the Teacher Is Indifferent?

There is no doubt about how the hearts of those taking the PP-I examination come alive when their names are listed on the "announcement sheet" as having passed.

They will take a new step on the ladder of their education, and an attractive prospect is spread out before their eyes. This is especially so if they are accepted at the University of Indonesia, one of the five most respected universities in Indonesia (University of Indonesia, Bandung Institute of Technology, Bogor Agricultural Institute, University of Airlangga, and University of Gadjah Mada). They say, "Gosh, I've been accepted by the University of Indonesia; isn't that something." Their mothers remark to themselves, as they go about their daily tasks, "So, my son has been accepted at the University of Indonesia; he certainly has started." This year alone, of the 37,630 applicants taking the examination, only 1,919 are accepted at the University of Indonesia.

However that may be, hopes are not always the same as facts. The ladder leading to a degree cannot be climbed easily. One little false step and they will receive a "travel letter," in other words become a dropout.

According to Dr Paulus Wirutomo, a teacher and lecturer on social planning in the Faculty of Social Sciences at the University of Indonesia, the following factors lead to dropping out of university. First, after students complete the fifth level of high school, they usually go to work. This often involves them in work-related activity so that they cannot think about writing term papers. Secondly, the student, beginning with the first year of high school and continuing through fifth year, has not had a good foundation. The teacher has been too easy in giving marks. The student can pass his exams based only on his lecture notes and doesn't read enough books. Later on, without realizing it, they will have to write term papers.

The young sociologist at the Faculty of Social Sciences of the University of Indonesia adds that a student in fifth year high school should be able to write term papers. He should be able to look into a question, take a critical view of society, set up a proper framework, then connect it with theory and methodology, and know how to write a good term paper. However, the fact is that the student is not properly trained by his teacher to study, to read literature, and to read books properly. The initial steps in preparing a term paper are also not much appreciated by the student. Indeed, at times he has had no introduction to the preparation of term papers, or if he has had this, often it was only half done, as the teacher went overseas. Dr Paulus thinks that the primary cause for "dropping out of school" is that the teacher did not prepare the students properly.

Dr Arbi Sanit, a lecturer on the Indonesian political system who was once vice dean for student and alumni affairs at the Faculty of Social Sciences of the University of Indonesia, agrees with Dr Paulus Wirutomo that the manner of teaching at the university doesn't push the students hard enough. The student is very much dependent on his last lectures and has only a passive attitude toward his studies. Arbi Sanit thinks that there are still many university teachers, particularly in the faculty where he teaches, who have a rigid approach to their course of instruction. For example, they devote so much of their time to lectures, so much to preparing articles, seminars, field research work, book reviews, and so forth.

From the point of view of the teacher, says Dr Juwono Sudarsono, former first vice dean for academic affairs in the Faculty of Social Sciences at the University of Indonesia (1979-1981), who has recently resigned as a result of the postponement of

the implementation of the semester credit system at the Faculty of Social Sciences, what causes him concern is that the functions of educating and teaching have been pushed off to one side for a long time. In this connection, a good teacher must be innovative in character, must be interesting in giving his lectures, must want to study, and must be open with his students. Indeed, this depends on the teacher. If he has a philosophy of educating, studying, and teaching, that is good.

However, if the teacher feels that he knows everything better than his students, this makes things difficult. In this connection, Juwono adds, at times the students have a larger collection of books and even know more than the teacher. The irony is that at times the teacher feels threatened by the knowledge of his students. Such a situation must be dealt with firmly.

The lack of facilities for the faculty is also a cause of "dropouts." As stated by Dr Arbi Sanit, the lack of living facilities for the teachers causes many teachers to work at an outside job, in order to make enough money to live. Beside that, he adds, "libraries, as the heart of the university, are still less than satisfactory, both from the point of view of stocks of books as well as the capacity of the study rooms."

Based himself on the results of research involving 88 students in third year at the Faculty of Social Sciences of the University of Indonesia, Dr Arbi Sanit says that there are three causes for dropping out of school. First, as is generally known, the level of achievement in senior high schools is now declining and needs to be raised. Secondly, the motivation of students at the Faculty of Social Sciences, according to the results of research, is in question. Only 34.09 percent (31 students) really wanted to enter the Faculty of Social Sciences, while the remainder (65.01 percent) wanted to study at other faculties, such as the Faculty of Economics (15.91 percent), the Faculty of Medicine (12.15 percent). This shows that only one-third of the 88 students really wanted to enter the Faculty of Social Sciences, while two-thirds study at the Faculty so that they will not just be unemployed. Thirdly, there is their attitude toward studies. The students involved in the study tend to prefer studies which do not require study of the exact sciences. They prefer field work, seminars and discussions, and general lectures. Meanwhile, lectures which require brain work, like looking up references, preparing term papers, and reviewing books are not popular. The above three factors are the causes of dropping out of school, from the point of view of the student.

This view was confirmed by Dr Priono Cipto Heriyanto, deputy director of research [IPM] and staff instructor at the Faculty of Economics of the University of Indonesia. According to Dr Priono, when a student drops out of school, it is his own fault. Such students are lazy, lack discipline, have contempt for their lectures, and just "take it easy." Dr Priono says that, for the most part, students who drop out of school belong to wealthy families. They lack discipline and do not use their opportunities properly.

However, Dr Juwono Sudarsono does not agree that there is a correlation between the motivation for entering a given faculty and the question of dropping out of school. This is because, in his view, a student who lacks motivation and who meets a good teacher that makes his lectures interesting--he may become interested in his faculty. On the other hand, even if he has some motivation but does not meet a good teacher, he will fail.

A family atmosphere which has no orientation toward knowledge and provides too many facilities to the student may also be a cause of dropping out. For example, Arbi Sanit says, such a family may often go on trips overseas, go camping, and so forth. A family atmosphere which is not suitable for study may also be a cause of dropping out.

Arbi Sanit adds that it would be best if the relations of the parents with their children are not too paternalistic in character or give the children too much freedom. Parents should give their children some freedom but also should give guidance to their children.

An educational system which frequently changes may cause trouble for many students. This is the case at the Faculty of Literature of the University of Indonesia, says a student who dropped out in 1971. The ... the third year English program almost all passed the examination leading to a bachelor's degree. However, an announcement was issued later on which stated that those who passed with a grade of 6 were not permitted to continue to fourth year, because they were considered unprepared for a bachelor's degree. And they were advised to choose a library studies program.

A large number of students felt let down when they heard this announcement by the chairman of the department. The statement that they were "unable to graduate" shook their self-confidence. As a result, there were those who were determined to repeat a year so that they could get a degree, and there were those who switched to a library studies program, although with feelings of confusion.

This system was still in effect several years later, but now it has been changed. No one knows how many students were disappointed or even lost self-confidence as a result. And whoever approved this system, only heaven knows. What is clear is that the "marks" approved by the teachers have already been erased!

At the Faculty of Social Sciences of the University of Indonesia, says a student who did not want his name mentioned, the educational system frequently changes in a drastic way. Previously, there was the course packet system. A credit system was promised for this year, but what came out was just an open system, in which a second year student in the first-level program may take classes in the second-level program. A student in the third-level program may take classes in the fourth-level program. This is in accordance with the Announcement of the Dean of the Faculty of Social Sciences of the University of Indonesia, No: 373/BD/FIS/81. Then what will the faculty officials decide on next? No one knows! There is no consistency.

Some students of the Faculties of Economics, Social Sciences, Medicine, and Literature who have failed their courses feel that this is their own fault. B A P [initials only; no name given], a student in the Faculty of Sociology of the University of Indonesia, majoring in anthropology and also studying cinematography at LPKJ [sic; not otherwise identified; presumably the name of another institution], flunked out of the Faculty of Sociology because he didn't have enough motivation and therefore did not fit in. Still different is the view of M S, a student in the class of 1979 at the Faculty of Social Sciences at the University of Indonesia who had previously studied at the Faculty of Economics of the University of Indonesia. He felt that two of his teachers had something against

1116. However, he now realizes that the fault was in himself, because he was not mature enough and was carried away by emotions!

1117. A former student in the Faculty of Medicine of the University of Indonesia who is now in the fifth-level of the Faculty of Social Sciences of the University of Indonesia, feels that he was really the one at fault. At the time he failed, he was unable to divide his time properly, could not absorb the substance of his lectures, and found it difficult to learn "Latin" terms by heart. There is another student who flunked out because he preferred to handle weapons in the Student Regiment than concentrate on piles of books.

1118. According to the BERITA MAHASISWA bulletin of the Faculty of Economics of the University of Indonesia, students in the preparatory year who flunked out were as follows: 1970 - 39.6 percent; 1971 - 34.61 percent; 1972 - 27.08 percent; 1973 - 11.76 percent; 1974 - 29.03 percent; 1975 - 26.96 percent; 1976 - 13.00 percent; 1977 - 8.69 percent; 1978 - 13.63 percent; and 1979 - 0.5 percent. This is a consequence of the system which required students to pass two out of five classes in the first semester, without repeating a class.

1119. At the Faculty of Social Sciences of the University of Indonesia, says Ibu Nana, a first-year student at the Faculty of Sociology of the University of Indonesia, before the credit system was adopted in 1971, students who flunked out might have had marks as high as 80 percent, but students flunking out now only have marks as high as 20 or 25 percent. According to Ibu Miroesam, chief of the Bureau of Educational Administration, 5 or 6 years ago, out of 350 to 380 students who entered the university, 80 percent were able to continue with their classes until the final semester.

1120. Meanwhile, at the Faculty of Medicine of the University of Indonesia, the system of marks is based on the capacity for thought (perception); psychomotor capacity (skills), for example, holding an injection needle; and student behavior. The total number who flunked out was only 10 percent of about 140 students entering, according to Dr Syamsu.

1121. At the Faculty of Social Sciences of the University of Indonesia, which is the youngest faculty in the university, the percentage of students who flunk out is not very large. "That's really true," says Dr Dwi Susanto, chief of the Bureau of Educational Administration of the Faculty of Social Sciences of the university. Students in the preparatory year who flunked out were as follows: 1977 - 18 students; 1978 - 13 students; 1979 - 10 students; 1980 - 10 students. Students who failed in the last year of the bachelor of arts program totaled 55 in 1979 and 28 in 1981. In the master of arts program students failing in 1979 totaled 211 and in 1981, 30. However, these are not figures for the years stated but are cumulative figures from previous years, because previous administrative practices were rather confused.

1122. Road to a Solution

1123. Beside the results of a study and teaching system which is not very good, it sometimes happens that the practice of turning over responsibility from the most senior teacher to his assistant does not function as it should. "The mechanism is not yet

will be developed," says Dr Dwi Susanto. However, there are also assistant teachers who do not become senior teachers until the senior teacher involved is dead! This happened at the Faculty of Law of the University of Indonesia. Colonial remnants still cling to this faculty, says a staff teacher who did not want his name to be mentioned. In fact, an assistant teacher must be trusted to provide guidance to the students. "This practice could reduce the number of dropouts," says Dr Arbi Sanit.

However, there is no balance between supply and demand for positions in the universities. The "dropout" system serves to reduce the waste of state appropriations. This is a question of effectiveness and efficiency. Why teach students for 10 to 20 years, when it would be better to give their places to others who have greater intellectual capacity and can study more properly, asks Dr Juwono Sudarsono. Indeed, here we see the cruelty involved in dropping out. Dr Priono agrees with Dr Juwono Sudarsono. Dr Priono says, "Imagine the opportunity cost of a student who drops out, even if this figure has not been calculated. If he attends a private university, for example Trisakti, for just 2 years, there would be hundreds of thousands of rupiah that would be saved."

The question of dropping out of school seems to be a consequence of structural factors. There are senior high schools that are good and there are those that are poor. There are students that come from wealthy families and those who come from poor families. However that may be, Dr Juwono Sudarsono suggests that those who come from wealthy families, such as the children of ambassadors, and who have books, video cassettes, etc, should invite their friends to use these facilities for their joint education. They should form a study group. In this way there will be a leveling out of opportunity.

"Later on, when the credit system is in effect," says Dr Dwi Susanto, the frequency of dropping out will decline. For a teacher must prepare a lecture plan or instructional design. There is a syllabus, but how will he mark, what material will be covered, when will he be teaching, when will he give his examinations, and so forth. With the credit system, Dwi Susanto adds, there will be a teacher-counselor who will have seven to eight students to advise. In this way relations between teacher and student will be increasingly close, there will be interaction between the two, and, most important, the teacher will know what are the problems of the students whom he is advising.

Dr Dwi Santoso says, "Yes, that is the reality at present in the university. There are many teachers who have never been trained as teachers. If they were sent to attend a teachers' training school, they were too lazy and this was the reason. Still, they are able to teach."

So, who must take action so that the cases of dropouts from the universities can be reduced? Who else, if not the students? The demand for a change in the system must come from the students. "From the teachers? Hardly possible. Aren't teachers state employees," asked a staff teacher at the University of Indonesia.

5170
050: 8127/016

PEOPLE'S NUCLEUS ESTATE PROJECT

Jakarta HARIAN UMUM AB in Indonesian 7 Aug 81 pp 4, 5

[Article by Basrin Nourbustan: "Significance of People's Nucleus Estate Project for West Kalimantan"]

[Excerpts] The government, through the Ministry of Agriculture, is engaged in accelerating the development of the estate agriculture sub-sector through a variety of activities. Its intention is to raise production and improve the quality of the items produced, so that there will be an increase in farmer income, as well as to create and broaden job opportunities. Apart from that the efforts are also intended to defend Indonesia's position in the world market, lessen Indonesia's dependence on foreign countries, meet our own requirements for domestic industrial raw materials, and increase state receipts of foreign exchange.

In achieving this objective, it is desired to achieve other goals, including reaching an average income of \$1,000 per year for each estate farmer's family, and raising exports, which in 1980 totaled \$2.4 billion, to \$5.5 billion in 1988.

Two Organizations

The Ministry of Agriculture, with the Directorate General of Estate Agriculture as its executive agent, has designated two bodies for the development of the estate agriculture sub-sector. The two bodies are the Project Implementation Unit (UPP) and the People's Nucleus Enterprise (PIR).

The activity of the two bodies involves the rejuvenation, rehabilitation, and expansion of planting of export products such as chocolate, coconuts, pepper, rubber, coffee, and oil palms.

The UPP, on the basis of the source of its financing, can be divided into programs for self-financing or from domestic sources (private funds) and the loan program under the World Bank.

Financing from domestic sources is also divided between financing based on the State Budget, under budget category XVI/Export Planting Funds (DTE), and credits from government banks in the form of soft loans to estate farmers. The soft loans are for a period of from 10 to 20 years with an initial, interest-free period of between 3 and 7 years.

During the interest-free period the interest and risk on the loan is fully the responsibility of the Directorate General of Estate Agriculture Affairs and the lending bank as its executive agent. After the interest-free period the interest on the loan of 10.5 percent per year is divided, with 4.5 percent paid by the government and 6 percent paid by the farmer receiving the credit.

The project will be carried out through the stages of preparation, conversion, and repayment of the loan by the farmer. In the preparatory stage, the development of the UPP will be handled by UPP employees and the farmer owning the land. The UPP will help the farmer until he is capable of meeting the requirements as a borrower from a lending bank. In this way the loan, which is originally in the name of the Directorate General of Estate Agriculture, can be changed to carry the name of the farmer himself in the second phase.

In the third phase, when the plants are harvested, the farmer begins to repay the loan to the lending bank.

Under this project the government intends to make it easy for the farmers to participate in the program for the rejuvenation, rehabilitation, and expansion of the production of export products (PRPTE), especially rubber, coconuts, pepper, etc.

Within the work of the UPP is the Smallholder Rubber Development Project (SRDP) which is financed by a World Bank loan.

Any area of area planted to estate agriculture products is eligible to receive the form of a loan of up to Rp 1.4 million, under the same conditions as the SRDP, using domestic financing facilities.

Within the People's Nucleus Enterprise (PIR), also based on the source of financing, a distinction can be made between the PIR as the Nucleus Estate and the Smallholder Development Project (NES) and the PIR itself.

The NES has received financial aid from the World Bank in the form of a loan, while the PIR itself only uses funds raised domestically (private funds).

Under Kalimantan the PIR domestic program is being carried out in Dedai and Karang Districts, Sintang Regency, as well as Semalantan and Singkawang Districts, West Kalimantan Regency, involving an area of 13,000 hectares.

The project being carried out in this transmigration area in 1983/84 will cover 13,000 rubber trees in an area of about 26,000 hectares, involving 13,000 families.

Each participant will receive 3.5 hectares of land, with 2 hectares for estate agriculture, 1.25 hectares for food plants and 0.25 hectares for housing and the area around the house.

The project will form a new village with 300 to 500 family heads in it. The Agriculture Enterprise has been designated by the minister of agriculture as the center of this activity, while the people's estate agriculture centers established in the project will become points of implementation.

PIR V in Ngabang

The People's Nucleus Enterprise (PIR) represents an effort to develop people's estate agriculture in a compact and harmonious way, while the National Estate Agriculture Enterprise (PNP) is the center of this activity.

One of the PIR projects under way is located at Ngabang, a district in Pontianak Regency. This project has received financial aid from the World Bank.

The World Bank has provided help amounting to \$267 million for the Nucleus Estate and Smallholder project and small enterprise development over a period of 20 years, including the grace period at a rate of interest of 9.6 percent per year.

This aid is intended to develop 53,000 hectares planted to rubber, coconuts, palm oil, food products, and truck gardens for about 20,000 families in West Java and West Kalimantan.

Ngabang, which has been preparing to receive the PIR project, which has World Bank support, since the beginning of last year, is located between Kilometer Stone 161 and Kilometer Stone 173 on the highway between Pontianak and Sanggau. In this location an area of 20,000 hectares has been set aside.

For the people's palm oil estate 11,000 hectares have been set aside with 5,500 heads of families taking up 5,500 hectares and the palm oil plantation belonging to Region VII of the PNP taking up 3,500 hectares as the center of the project.

From the first to the third year the project will have the status of a PNP Region VII effort. The people will receive salaries from the state agricultural enterprise.

Beginning with the third year the farmers will each receive a plot of ground planted to palm oil, amounting to two hectares for each family head. To this will be added space for simple housing and a truck garden, amounting to 0.2 hectares, and 0.8 hectares for planting to diversified products, especially food.

During the time the farmers participating in the project have the status of employees of PNP Region VII, the interest on the loan will not be collected from them. Up to the fourth year the loans to the farmers are calculated at about Rp 4 million. At that time the farmers' palm oil trees will begin to produce, and the PNP will be ready to collect the harvest.

Repayment of the loan will begin in the fifth year until it is completed in the 15th year, at a rate of interest of 6 percent per year.

According to present estimates farmer income per capita at this time is about \$80 per year, or about Rp 800 per day. Based on this estimate and the calculation of the price of palm oil, which is steadily increasing, four to five years in the future, farmer income per capita will reach the figure of about Rp 2,415 per day. Farmer income will continue to increase until the palm oil trees are 25 years old.

3170
CSO 4213/03

MERCHANT FLEET COMPOSED OF AGED SHIPS

Jakarta: SINAR HARAPAN in Indonesian 5 Aug 81 p 11

[APR 11] "A Serious Matter: A Large Proportion of Our Merchant Fleet Is Now Very Old"

[JKTG] Jakarta, 5 August--The development of our oceanic and inter-island merchant fleet has encountered a serious problem, as a large proportion of the ships now in service are more than 20 years old.

Available data shows that of 329 ships in the inter-island service, no less than 244 ships are 20 years old or older. Meanwhile, the total number of ships in the ocean-going service is 56, not including ships just purchased by navigation companies. Most of the ships are more than 20 years old.

The effort to rejuvenate the old ships, which was begun after the establishment of the National Merchant Fleet Development Company (PANN) in 1974, has not been able to move quickly in view of the limited funds it had.

In performing its functions PT PANN has only succeeded in providing 15 inter-island shipping companies with 59 ships. Of this total 58 ships have been operated as ships on Regular Lines Service (RLS), covering 17 established routes. The 59 ships purchased have a total tonnage of 87,893 DWT, or 25 percent of the entire inter-island fleet.

Of the ships purchased by PT PANN, a large proportion are previously owned ships whose age is no more than 10 years. The effort to rejuvenate the merchant fleet by purchasing previously owned ships from a number of countries is a policy which is considered appropriate for the present, in view of the limited funds available and the limited capacity of the shipping companies to buy or charter new ships. The cost of a used ship is much less than that of a new ship.

The used ships chartered or sold by PT PANN to private shipping companies were obtained at a price of less than \$1,000 per DWT.

A large proportion of the funds to buy used ships came from World Bank aid to Indonesia. The World Bank funds, which were provided in 1976, will have been used up by the end of 1981. They totaled about \$30 million.

... from the World Bank earmarked exclusively for the purchase of new ships. In 1998-1999 will have been used up by the end of 2000. ... the Government will add further to the funds which will have been ...

... in the Directorate of Sea Communications states that the development or rejuvenation of the inter-island and ocean-going fleets will ... from World Bank aid will have been used up. The purchase of new ships from domestic and foreign shipyards will be financed from bank credits, ... from the Indonesian Development Bank (BAPINDO).

... stated that an agreement has been reached that the purchase of new ships ... amounting to 75 percent of the total, with 10 percent ... PT PANN, and 15 percent must be provided ... which wants to purchase the ship. For used ships, 85 percent will ... and 15 percent by the shipping company.

... Directorate General of Sea Communications has been directed to determine the type of ship which will be purchased, as well as the manner of its ... The director stated that the type of ship most suitable at present is ... ship type, that is, a ship that can transport passengers and ...

... according to the source, is the capacity of the shipping companies ... payments of 10 to 15 percent of the cost of a ship. In general the ... of the national shipping companies, both those engaged in ocean ... as inter-island services, is still weak. This is because of the ... of shipping companies, which have a slow return on their ...

It is this financial weakness which leads inter-island shipping companies to be ... ships from PT PANN. The lease system does not require large ... of capital, most for the "Commitment Fee" of 1 percent of the basic cost ... at the time the deposit of 10 percent is paid or, if ... it is paid at the time of the opening of the letter of credit. ... PT PANN is only 10 percent per year.

The interest on a bank credit for the purchase of a new or used ship demands on the ... credit. A loan for up to Rp 25 million pays 10 percent; from Rp 25 ... million to Rp 200 million, the interest is 12 percent; from Rp 200 million to Rp 500 ... the interest is 11.5 percent; and above Rp 500 million the interest is ...

PROCUREMENT OF COMMERCIAL SHIPPING

Jakarta HARIAN UMUM AB in Indonesia 11 Aug 81 p 3

[Article: "Commercial Shipping Fleet Procured by PT PANN Up to 1980 Totals 54 Ships"]

[Text] Jakarta, AB--A total of 54 ships (90,488 DWT) were procured for the commercial shipping fleet by PT PANN (National Merchant Fleet Development Company) between 1974 and 1980.

The ships are operated by shipping companies as part of the fleet of ships which provide permanent service (Regular Line Service-RLS) and non-permanent service (non-RLS).

According to data obtained by ANTARA from PT PANN, the above total consists of 24 used ships operated by 12 private shipping companies and 29 new ships used by PT Peln [Indonesian National Shipping Company].

The new ships used by PT Peln consist of 20 ships (26,400 DWT) built in Norway and nine ships (7,530 DWT) built in domestic shipyards.

PT Peln has also used previously-owned ships such as the KM [Motor Ship] Tampomas II (2,419 DWT), which burned and sank in Januray, 1981, in the waters near Masalembo Island. PT PANN was established by the government in 1974 (the government share is 60 percent) and the Indonesian Development Bank (BAPINDO), which holds 40 percent of the shares in the firm.

The task of PT PANN is to procure commercial ships by ordering new ships and purchasing used ships, as well as shipping equipment, so that they may later be sold, disposed of on a charter/purchase arrangement, or chartered to national shipping companies.

PT PANN also undertakes other activity to support the development of the national commercial shipping fleet.

The total number of PT PANN ships now being operated by shipping companies under charter and credit arrangements are nine units (7,350 DWT) operated by PT Peln and 32 units (72,808 DWT) operated by private shipping companies.

5170

CSO: 4213/03

ROMANIAN TRACTORS ASSEMBLED IN INDONESIA

Jakarta HARIAN UMUM AB in Indonesian 22 Aug 81 p 3

[Article: "Romanian Tractors Will Be Assembled in Tegal"]

[Text] Jakarta, AB-tractors made in Romania which are considered suitable for Indonesian weather and soil conditions will be assembled in this country. PT Dwika's factory in Tegal, Central Java, will shortly go into operation, assembling "Universal" brand tractors as soon as the 200 units ordered by PT Indoplano arrive in Indonesia. PT Indoplano is the agent of the "Universal" factory in Romania.

PT Dwika itself is the successor to the Brugner factory of the Dutch colonial period, which was purchased by the indigenous firm of PT Indoplano in 1959. It produces goods under the commercial label "Dwika," such as electric pumps with a capacity of about 20 liters per second, tile presses (using the hydraulic process), and other items.

Dr Kusharyanto, director of PT Indoplano who is also director of PT Dwika, not long ago made a visit to the "Universal" tractor factory in Romania. The factory, which uses advanced technology, each year produces 80,000 tractor units of various types, 60,000 of which are exported to various countries. If this tractor production is added to the production of Fiat tractors, the total would be the largest in the world. Fiat itself each year produces 300,000 tractors.

"The spare parts are interchangeable so that this won't create problems for the user," said Dr Kusharyanto. This means that "Universal" tractors can use Fiat spare parts, of long parts made in America, etc. These brands of tractors are made under Fiat license, and these spare parts are easily obtained and at a reasonable price.

The chief of the Romanian commercial representative's office, Toma Aldea, said that in September a delegation of experts from his country would arrive in Indonesia, in connection with the assembling activity which will be undertaken in Tegal, the city in Central Java which has been given the nickname of the city of small industry, or "the Japan of Java."

Asked why PT Indoplano did not simply develop a mini tractor or a hand tractor of the kind being tried out in several areas of the country, Dr Kusharyanto pointed to the short lifetime of these tractors which generally are worn out after one year.

In this connection, 17-horsepower tractors, which cost about Rp 4.5 million, have a useful life of up to 5 years. Meanwhile, the tractors which will be assembled, with 26-horsepower motors and which cost about Rp 5 million, have a lifetime of up to 15 years.

Jakarta itself will be developed into the center for spare parts for "Universal" products for the countries of the ASEAN region and nearby areas.

5170

CSO: 4213/03

OIL EXPLORATION CONTRACTS DISCUSSED

Jakarta SINAR HARAPAN in Indonesian 28 Aug 81 p 11

[Excerpts] Minister of Mines and Energy Subroto said that studies have shown there are 40 pockets (sites) in Indonesia thought to contain oil and natural gas. Of the 40 locations 10 have been tapped and are in production, 11 have only recently been studied more intensively and 19 have not yet been tapped.

The minister made his statement after witnessing the signing of three production-sharing contracts between Pertamina [National Oil and Natural Gas Company] and [other] oil companies Thursday afternoon in Jakarta.

With these three signed contracts, to date the number of production-sharing contracts between Pertamina and foreign contractors has increased to 52, of which 3 are work contracts and 11 are cooperative contracts. Of that number, 17 contracts are already in effect.

Those who signed the three production-sharing contracts were: Drs. Joedo Sumbono, Pertamina's chief director, and Boris A. Ganke, head of Offshore Oil NL [Expansion unknown] from Australia, D. W. Martin, vice president of Trend Energy Kalimantan Ltd from the United States, and O. W. Hamp, president of Amoco (Indonesia) Bariot Petroleum Company from the United States.

Offshore Oil, NL, in this case in partnership with Oxoco International Inc from the United States, is exploring for oil in a 7,445 square kilometer area offshore Asahan, North Sumatra. The two companies will spend no less than \$54.9 million in exploration costs in a 6-year period. The contractors will pay \$4.5 million in information bonuses. Production bonuses will come to \$7 million for 25,000 barrels per day and \$25 million for 50,000 barrels per day.

Trend Energy Kalimantan Ltd and Sedco Indonesia Inc (United States) will work in a 7,725 square kilometer area in the South Bariot basin, block "B", South Kalimantan. These companies will pay out about \$59 million in exploration costs in a 6-month [sic] period. The contractors will pay \$15 million in information bonuses, \$5 million after commercial production, \$4 million for production at 25,000 barrels per day, \$8 million for production at 50,000 barrels per day and \$10 million for production at 75,000 barrels per day.

Amoco (Indonesia) Barito Petroleum Company (United States) will operate in the South Barito area, block "C", extending 7,220 square kilometers. This company will spend not less than \$77 million for exploration costs over a 6-year period. The contractors will pay \$4.2 million in information bonuses and \$5 million after commercial production, \$5 million for production at 20,000 barrels per day, \$10 million for production at 40,000 barrels per day, \$40 million for production at 100,000 barrels per day and \$60 million for production at 200,000 barrels per day.

Division of profits between Indonesia and the contractors is 85:15 for oil and 70:30 for natural gas.

9792

CSO: 4213/02

LARGE-SCALE EFFORT TO CERTIFY LANDHOLDINGS REPORTED

Jakarta SINAR HARAPAN in Indonesia 21 Aug 81 pp 1, 12

[Excerpts] According to the Directorate General of Agrarian Affairs in the Department of Internal Affairs, there are 2 million square kilometers of land throughout Indonesia that should be certified, but until now only about 20 percent of the landholders have certificates or proof of ownership.

So stated the director general of agrarian affairs, Daryono, during a press conference Friday afternoon. Daryono said one of the reasons that so much land has not yet been certified is that the general public is not yet aware of the legal and economic value of a certificate. In addition, people are reluctant to deal with the local agricultural offices for certain reasons.

In this connection, in mid-August the Directorate General of Agrarian Affairs began to carry out a program called the "National Agrarian Operations Project," whose task, in addition to certifying all landholdings, is to try to eliminate or at least lessen the different kinds of land disputes that occur in the society.

Under this "mass certification" effort, the directorate's employees throughout Indonesia will no longer work as before, having a passive attitude by working behind a desk, but will open up their offices on the streets, "if necessary, spread their mats on the roads in order to speed up the granting of certificates on a mass scale and at the same time resolve the land disputes," said the director general.

He said land ownership certificates are very important for the public because a person should be able to use such proof of ownership to obtain credit from the local bank. Furthermore, the certificates guarantee a feeling of security to those who possess them.

One of the current challenges facing the nation, he said, is the appearance of the "insignificant farmers" who own no more than 0.3 hectares of land. Clearly that amount of land is neither productive nor economical. The "insignificant farmers" themselves are not the product of the government's current development program. Rather, in part, they are the result of the still ensconced system of land ownership based on adat [customary law] or inheritance.

It is hoped that the National Agrarian Operations Project (PRONA) will make it possible for the government to control transfer of land ownership rights, whether through inheritance, adat or some other law.

The director general said that if the transfer of land ownership rights based on inheritance is not controlled, in the future it could happen that Indonesians will hold only 1 or 2 meters of land.

Daryono said that if you ask people whether they already have a certificate, they say "For what?" People think a land tax assessment paper or "petok," which actually is only a proof of tax payment, is the same as a land ownership certificate. "Such opinions or views are clearly in error," said Daryono.

Concerning the fee to arrange for the certificates, in Java it will generally be less than 10,000 rupiahs. Outside Java it will probably be less than that.

In the capital vicinity Drs. Suroso has been appointed to head the project, while in the outer provinces governors, district heads and others will manage the program.

Daryono admitted it is not impossible that new problems could emerge as the program is enacted, either in the form of "dual certificates" or illegal taxations. It is felt that most of the "dual certificates" will be found in Special Area Jakarta.

Daryono guarantees the directorate will try to settle the problems as best as possible, peacefully, for it is certain one of the two certificates will be legally defective, whether a falsified number, date, signature, seal or something else.

Asked about the policy on golf courses as it relates to efforts to put land into production, Daryono said that what can be stated for certain is that since 1980 no new golf courses have been made.

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CSO: 4213/02

RAILWAY CARS TO BE PRODUCED IN NEW MADIUN PLANT

Jakarta SINAR HARAPAN in Indonesian 20 Aug 81 p 11

[Text] The national railroad system entered a new phase when the State Railway Company Repair Shop in Madiun manufactured 20 type 4 as [expansion unknown] freight cars, each with a capacity of 15 tons.

Freight car production is financed under the Five-Year Development Plan budget. Only 10 percent of the parts needed in production of the cars is imported. The rest comes from the Madiun shop's own sources.

Since last month the freight cars have crisscrossed the East Operations Zone of the State Railway Company in a study of their transport capability, riding quality, ease of maintenance and durability. It's thought the cars will last for 25 years.

Sumarno, head of the State Railway Company's East Operations Zone, said to SINAR HARAPAN that no outstanding problems were found in the cars. The country has a right to be proud of the job done by the Madiun shop, he said, because no foreigners helped in the planning process. All was performed in a very traditional manner. The Repair Shop only had regular tools for repair and maintenance of equipment and was not really a manufacturing company. It didn't have any of the automatic tools that are needed in heavy industry. There was just one engineer in the shop.

Here we're all self-taught students, we learn everything from experience and from reading books, said Ach. Duryat, head of the Madiun shop.

According to Duryat, making 20 freight cars was just a warm-up for the manufacture of 400 similar cars by the end of 1982 and 44 passenger cars by mid-1983 under the management of PT Inka. Although the government has determined that the State Railway Company Repair Shop in Madiun has now officially become PT Inka, the new company won't begin production till next year.

Under the combined management of the Department of Industry, the Board for Technological Research and Development and the State Railway Company itself, PT Inka will be backed by the Department of Finance with an initial capital investment of 60 billion rupiahs.

Before going into full-time production, during the next 2 months the Repair Shop will begin to manufacture its first passenger cars, which will be 20 meters long.

According to Duryat, there are many problems involved in the manufacture of passenger cars, not only because of the simple tools but also because of the layout of the Madiun shop, which hampers movement during assembly of the cars.

The capability of producing our own railway cars will mean saving foreign exchange, but it will be all the more valuable because of our greater self-esteem, said Duryat proudly.

Concerning costs, imported freight cars cost 25 million rupiahs per unit, but domestic cars are only 14 million rupiahs each. Imported passenger cars cost 250 million rupiahs, while in Madiun they can be made for about 50 million. In addition, we are no longer heavily dependent on other countries for spare parts. It is in this sense that Duryat considers self-esteem to be an unlimited investment.

PT Inka is going to work together with the Japanese when initial production begins next year. We shall be able to speak with them at the same level, Duryat said, because we have shown that we do have the capability. Only in certain instances should cooperation with them be known [sic].

According to plans, at the end of this year large machinery should be installed that will change the Repair Shop into a factory.

The Madiun Repair Shop was built in 1884 and was taken over by the Indonesian Government from the Japanese authority in 1945. It had the task and function of being a repair and maintenance shop.

9792

CSO: 4213/02

NICKEL DEPOSITS DISCOVERED IN HALMAHERA REGION

Jakarta SINAR HARAPAN in Indonesian 13 Aug 81 p 11

[Text] PT Aneka Tambang [Diversified Mining Company] recently discovered the largest nickel deposits in Buli Bay, Halmahera after a number of exploratory studies had been carried out.

A spokesman for the company said to ANTARA in Ternate recently that the nickel deposits in Buli Bay are probably large and of a similar quality to deposits on Gebe Island (under the administrative management of Central Halmahera/North Moluccas), which will take 20 years to exploit.

Exploratory activity was stopped last week after Aneka Tambang's geologists made the discovery. "Since the end of July nickel samples from the bay have been flown to Jakarta and Japan to be assayed further," said Syaifuddin Hamid, head of Aneka Tambang's office for nickel mining in Ternate, capital of North Moluccas.

When he was interviewed by ANTARA Tuesday, Hamid said that although Buli Bay has been emphasized, other areas have been sites for nickel explorations since the end of 1980. Of course it is true, he said, that new deposits were discovered at Buli Bay, but till now the quality and extent of the deposits remain unknown because the test assays in Japan and Jakarta aren't completed yet.

He said that if the limited studies show that the deposits could only be exploited for a period of 10 years or less, then the Buli mining operations would be cancelled.

When he was asked about stories circulating in the community and in government circles in North Moluccas and Halmahera that very large nickel deposits were found in Buli Bay, Hamid replied that he didn't know anything at all about such stories. "To date there hasn't been any official announcement concerning the results of the test assays" he said.

An employee of PT Aneka Tambang on vacation said that since the beginning of this year nickel exports from Gebe Island have been constantly increasing.

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CSO: 4213/02

ALUMINA FACTORY PLANNED FOR BINTAN ISLAND

Jakarta SINAR HARAPAN in Indonesian 6 Aug 81 p 11

[Text] PT Aneka Tambang [Diversified Mining Company] is currently holding talks with Kaiser Aluminum Corporation from the United States and Klockner INA [expansion unknown] from West Germany on preparations for building an alumina factory on Bintan Island, Riau.

A spokesman for the Department of Mining and Energy said that construction of the 600,000 ton per year alumina factory will begin in November, 1981 and is expected to be completed by the end of 1985 at a total cost of \$572.3 million.

The minister of mining and energy has chosen PT Aneka Tambang to manage plant construction and equipment purchasing.

Asked how far along preparations for the plant had progressed, public relations head of PT Aneka Tambang, Ali Ermas, replied that up to now he had related what the minister had instructed him to say. [sic]

Kaiser Aluminum was chosen to supply the technology and technical assistance for construction of the plant. Kaiser Engineers, which designed the plant, will oversee construction and be responsible for seeing that the whole project is completed on schedule. On the other hand, Klockner INA will actually build the plant and be responsible for the "mechanical performance" of each factory area.

According to the source from the Department of Mining and Energy, an in-depth study showed that Bintan Island was the most economically favorable site for the alumina plant because of its bauxite deposits. At first two sites were considered for the factory. Bintan was one; the other was at Kuala Tanjung, Asahan [North Sumatra], where an aluminum factory (which would use alumina) is going to be built. But finally the government decided on Bintan.

According to a separate study that was done by Kaiser Engineers and a Japanese consortium, it will be less expensive to build the alumina plant on Bintan than at Kuala Tanjung. Operating costs should also be lower at Bintan.

The spokesman from the Department of Mining and Energy said that Indonesia's largest bauxite deposits (est. 75 million tons) are found on Bintan and surrounding islands. The only bauxite mining operation in Indonesia today is on Bintan and on several small neighboring islands.

BUSINESS LEADERS LAUD U. S. AID

Karachi DAWN in English 28 Oct 81 p 6

[Text]

The United States has provided to Pakistan three billion dollars out of the total foreign assistance of about 19 billion dollars committed so far including a grant-in-aid of four billion dollars, FPCCI President, Mr. Mohammad Yousuf Zia, said yesterday while welcoming the US Consul-General, to the Federation's office.

Mr. Richard Post discussed with the FPCCI the prospects of U.S.-Pakistan trade relations and economic cooperation.

The Federation chief said that the recent announcement of a package of 3.2 billion dollars as economic assistance and for arms purchases had opened a new chapter in the friendly relations of the two countries.

He said that ever since independence, United States has been Pakistan's major trading partners, and now has a share of five per cent in our exports and 11 per cent in our imports. United States has provided the largest amount of economic assistance given to Pakistan by any country or financial institution.

Mr. Yousuf Zia welcomed the decision of the US aid mission to set up a "bureau for private enterprise" which would be able to implement the decision of the Reagan administration for bringing private sector more fully into the development and foreign assistance process. He expressed the hope that the private sector in Pakistan would benefit from this new thinking with regard to the disbursement of official development assistance, specially those

with a commitment to free enterprise, would follow this refreshing departure in aid disbursement to developing countries.

The federation chief said that they are watching with great interest the efforts being made by the US-Pakistan Economic Council for increase in US investment mainly through joint ventures. At present the US private investment in Pakistan is a very meagre amount of about 175 million dollars, which does not measure upto the expectations of an extended period of close friendship between the two countries.

He expressed the hope that the new stage of growing friendship between our two countries would attract the US private sector, specially a large number of its multinationals and persuade them to take greater interests in Pakistan.

He suggested for the establishment of a liaison between US Chambers of Commerce and the Federation. He also stressed the need for relaxation in quota system to reduce the gap in balance of trade.

The Federation President also underlined the need for setting up joint ventures in fields like electronics, heavy chemicals and petrochemicals as well as food processing industries.

He said that suitable guidance and facilities be extended to Pakistanis who would like to set up small industries like shoe and furniture making in United States.

US INVESTOR'S MISSION

The US investors mission would now come to Pakistan in batches instead of a single batch, chairman of Pak-US Trade and Industry Committee of the FPCCI, Mrs. Salma Ahmed, said at a luncheon hosted by the federation in honour of Mr. Richard Post.

The first batch was due in Islamabad on Nov 12, earlier than the scheduled date.

She informed the US Consul-General that Government has dispatched profiles of 30 specific industries to the USA for distribution among the American investors, so that they may get necessary information about industry of their choice.—APP/PPL

EXPORT PROMOTION BUREAU PLANS EXHIBITS IN MIDDLE EAST COUNTRIES

Karachi DAWN in English 22 Oct 81 p 7

[Text]

The Export Promotion Bureau plans to organise a series of single-country exhibitions in the Middle East and Gulf States in order to build up Pakistan's image as an exporter of standard products.

The Vice-Chairman of the Bureau, Mr Mohammad Yousuf in a meeting held in the Chamber yesterday with its President, Haji Razak Janoo, said the fairs and exhibitions being organised by them on scientific lines and with a professional touch, were intended to attain a long-term objective of export promotion.

The non-traditional and engineering goods were mainly displayed in such exhibitions, he added.

Mr Mohammad Yousuf revealed that Pakistan's pavilion in the Indian Exhibition to be held in New Delhi in next month, would present a total projection of Pakistan's socio-economic and cultural development and heritage.

He said that all categories of Pakistani products would be displayed in the exhibition so that Pakistan's export potential was known to the participants from all-over the world.

The Vice-Chairman attributed

the abnormal rise in the rental charges of telex to the growing cost of its material and mounting demand in the face of rapid development of telecommunication system in Pakistan.

Mr Yousuf said that the present Government greatly valued the views and suggestions of the private sector and as such, their members have been given wide representation on various advisory bodies of the Government.

Haji Razak Janoo, President of the Chamber apprised the Vice-Chairman of the implications, arising from the abnormal rise in the rental charges of telex. This will have an adverse effect on export sector, where the use of telex was inevitable, he added.

The Chamber Chief said that frequent fluctuations in the value of international currencies caused complications for country's export trade and hence, a timely-mechanism was to be evolved to nullify its adverse impact.

He said that Chamber had organised many fairs and exhibitions successfully in the past and it could be counted upon for organising still bigger pavilion/fairs and exhibitions abroad.

The Chamber's President stated that the businessmen of Pakistan were keen to strengthen trade relations with Bangladesh in view of brotherly and historical relations with them.

He, however, said that inflated custom tariff levied by the Bangladesh authorities on Pakistan's certain exportable item like ZEEBA acted as impediment to the export promotion effort.

He, however, assured the Vice-Chairman of Export Promotion Bureau of Chamber's full support and cooperation in stepping up the export of the country.

CSO: 4220/70

MAJOR STEPS AGAINST SMUGGLING PAK CURRENCY

Karachi DAWN in English 30 Oct 81 p 14

[Article by Saghir Ahmad]

[Text] Several Government agencies are looking into reports of large-scale smuggling of Pakistani and other foreign currencies to Gulf ports and other destinations by air, land and sea routes.

The investigations have been stepped up following the seizure of large quantities of currencies at Dubai, Sharjah and Muscat besides major hauls at Karachi Airport and in Pakistani waters.

Details of the seizures outside Pakistan are yet incomplete, but some particulars of at least four launches are known here after their capture recently.

Official sources said these four launches reached the Gulf ports without a 'Port Clearance' certificate at Karachi and almost unnoticed and unchecked all the way to their destinations.

The currency-laden "Al-Asad" seized by Omani authorities on July 31, these sources said, had no "Port Clearance" of the Karachi Customs.

According to details now available with the Customs, this fishing trawler left Karachi Fish Harbour on March 12 and was due to report back on March 31.

Instead, it reached Dubai where Immigration authorities detained it for undertaking the voyage without proper documents including the visa.

It was, however, allowed to continue journey to Sharjah after necessary legal action but was intercepted a second time at

Sharjah where currency worth about Rs 30 million was also seized and the crew were detained. Later, the launch and the crew were repatriated to Karachi.

In Karachi, the Customs show cause notice for delayed return of the launch to the base elicited the reply that delay was caused by "engine trouble", sources said.

When it left on a fishing mission again on July 28, it was certified to have nothing except provisions but was found to be loaded with currency when intercepted by the Omani authorities, officials said.

Investigating agencies suspect that some highly organised gangs of currency smugglers are involved in this operation, and they might have been using the fishing launches for their activities.

The procedure for the issuance of Port Clearance certificate to fishing trawlers is that the fishermen form queues to get the document from the lone Customs officer on duty. The officer normally issues 300 to 400 arrival-departure certificates daily, with the result that physical examination of the boats in all cases is not humanly possible.

In January this year, launch "Al-Mubeen" got away without the Port Clearance certificate and was hauled up by the Omanese with silver and currency worth about Rs 40 million.

Two other launches caught with smuggled currency were "Shalimar" and "Al-Khalid". "Shalimar" was caught with Rs 25 million worth of currency, while launch "Al-Khalid" was seized

with Pakistani currency worth Rs 11 million besides foreign currency "in abundance".

Currency on launches "Al-Khalid" and "Al-Asad" has since been returned to Pakistan Government by Oman as a gesture of goodwill.

SCHEME APPROVED FOR CADET COLLEGE IN SIND

Karachi DAWN in English 30 Oct 81 p 12

[Text]

LARKANA, Oct 29: The Divisional Co-ordinating Committee for Sukkur division has approved a scheme for setting up a Cadet College for upper Sind and advocated its inclusion in the Annual Development Programme of the province for the year 1982-83.

During its meeting held here recently, the committee fixed priorities for development schemes of the division for their inclusion in the ADP.

Speaking on the occasion, the Chairman District Council Larkana, Mr Ghulam Mujtaba Isran, said that the Governor of Sind, Lt. Gen. S. M. Abbasi, during his visit to Larkana early this year, had shown personal interest in the scheme of establishing a Cadet College in Larkana. He had also disclosed that the Federal Government had accepted in principle his proposals. He had assured the people that he would strive hard for the realisation of this scheme because the Cadet College of Petaro generally accommodates students from lower Sind areas, whereas the upper Sind region needs a separate college.

It may be recalled that the scheme for setting up a Cadet College for upper Sind area in Larkana was contemplated during early seventies. The site for the college was selected about 3 kilometers to the north of Moenio Daro, by the side of which now the Dokri Grid station is being constructed.

In this connection, necessary funds amounting to about Rs 20 lakh had also been initially earmarked and a design was finally

prepared for the construction of the building at a site about 25 kilometers to the south of Larkana town. But later, the scheme was abandoned altogether.

When the Governor visited Larkana again the representatives of Local Bodies strongly suggested that the Larkana Cadet College scheme be implemented on priority basis keeping in view the long-standing demand of the people of upper Sind area for a standard educational institution for their children.

CSO: 4220/77

WIDE-RANGING UPLIFT PROJECTS APPROVED

Karachi DAWN in English 30 Oct 81 p 18

[Text] Islamabad, Oct 29: The Executive Committee of the National Economic Committee of the National Economic Council, which met here today under the chairmanship of the Federal Finance Minister, Mr. Ghulam Ishaq Khan, considered and approved a number of wide-ranging uplift projects in various sectors of the national economy.

Agriculture sector: The committee approved a project envisaging construction of five lakh metric tons of bagged storage (house type) for wheat in all the provinces: 2,90,400 tons in Punjab, 50,100 tons in NWFP, 104,500 tons in Sind and 55,000 tons in Baluchistan.

The project, costing Rs. 642.6 million with foreign exchange component of Rs. 148.4 million, will go a long way in improving grain storage capacity in the country. It will be completed in four years.

In the same sector, the committee approved a project providing for integrated development and management of Barani areas in the Punjab. The project will cover Sohawa and Chamal catchment of Jhelum and Sialkot districts.

In the agricultural research, the ECNEC gave approval to a scheme for undertaking a co-ordinated programme for livestock feed resources and nutrition at National Agriculture Research Centre, about eight km away from Islamabad.

The project will cost Rs. 22,00 million including foreign exchange worth Rs. 17.185 million.

Railways: The Executive Committee of the National Economic Council approved creation of facilities to undertake manufacture of diesel electric locomotives in a separate factory adjoining the carriage factory at Islamabad.

The project will involve a total expenditure of Rs. 894.91 million including a foreign exchange component of Rs. 292.49 million.

Petroleum and Natural Resources: The Committee approved revised estimates for phase I of Pirkoh development project in Baluchistan.

The project envisages seismic survey of Pirkoh gas field, six wells in addition to one discovery well, production and handling facilities, reservoir study and preparation of developing project (Phase II).

Water and Power field. The ECNEC gave go ahead signal to the establishment of a national load despatch centre with modern power system control facilities at Faisalabad/Islamabad and regional centre at Hyderabad.

The project will involve capital cost of Rs. 586.00 million with foreign exchange amounting to Rs. 240.00 million. The foreign exchange part of the cost will be provided by the Asian Development Bank.

Flood Control Sub-Sector: The committee sanctioned construction of Malir River flood protection bund, phase III, Karachi East.

The scheme, costing Rs. 66.148 million, envisages protection of colonies and defence installations located on the right bank of Malir River against the onslaught of floods.

Production Sector: The Executive Committee approved revised estimates of Rs. 480.08 million including foreign exchange worth Rs. 229.59 million for the Boland Textile Mills project.

Industry sector: The committee approved Phase I of a scheme envisaging establishment of an industrial estate at Multan. The scheme will cost Rs. 28.28 million.

Communications sector: The ECNEC approved a project for the construction of an additional carriageway of 35.37 kms long on the Nowshera-Peshawar section of the National Highway N-5.

CSO: 4220/77

BIG RISE IN RICE EXPORTS REPORTED

Karachi DAWN in English 30 Oct 81 p 9

[Text]

Pakistan's rice exports recorded an increase of 143 per cent from Rs 2304 million to Rs 5,502 million between 1974-75 and 1980-81, according to a study.

In general, exports rose because of a rise in volume export prices declined by 6.6 per cent during this period.

Pakistan's share in world trade has risen from 6.00 per cent in 1975 to 11.1 per cent in 1979.

During the period 1974-75 to 1980-81 exports of Basmati rice more than 55 per cent in 1976-77 owing to the rise in the volume of exports.

Since 1976-77 the share of basmati has tended to fall, declining to 44.9 per cent in 1977-78, 39.6

accounted, on the average, for per cent in 1978-79; 53.9 per cent in 1979-80 and 51.3 per cent in 1980-81. The share of other varieties has consequently increased.

This faster growth in exports from Pakistan resulted due to higher rate of increase in output. Between 1975 and 1980 world output grew by 11.5 per cent, while in Pakistan it rose by 22.3 per cent.

Basmati rice, the best variety, is exported almost entirely to the rapidly growing countries of the Middle East.

The major purchasers are Dubai, Iraq, Kuwait and Saudi Arabia, which together account for about two-third of the total exports of basmati rice.

Other varieties are exported to the African and Asian countries. The share of African countries has increased rapidly. The fastest increase occurred in exports to

Cameroon, in which case they rose from Rs 21 million in 1975-76 to Rs 974 million in 1980-81. Exports to Kenya have risen steadily rising from Rs 19 million in 1975-76 to Rs 159 million in 1979-80. Export to Indonesia rose from Rs 14 million in 1974-75 to Rs 874 million in 1977-78.

Exports to Sri Lanka, however, fell from Rs 447 million in 1974-75 to Rs 244 million in 1980-81, the report added.—PPI

CSO: 4220/77

PAKISTAN

BRIEFS

ISLAMIC FOOD COMMITTEE--The first international conference on "food security and agriculture development in Islamic States" held recently at Ankara decided to set up a permanent followup committee consisting of Pakistan, Turkey, Senegal and the UAE to review progress of implementation of decision of the conference. It will meet before the FAO meeting due to be held in Rome from Nov 7, Mr. Zafarullah Khan Jamali, Federal Minister of State for Food, Agriculture and Cooperative, said on return from Ankara after leading the Pakistan delegation. He said the committee will submit its report at the next meeting to be held in Khartoum in 1983.--PPI. [Text] [Karachi DAWN in English 27 Oct 81 p 10]

NONPOLITICAL ALLIANCE MOVE SUPPORTED--Some more public representatives have welcomed the move made by Shaikh Liaquat Husain to help form a non-political alliance of patriotic elements to counter subversive activities in the country. Mr. Abdul Ghairar Pasha, a former Minister of the defunct West Pakistan, in a statement, yesterday extended his support to the proposed alliance saying that "not a single patriotic Pakistani can think of opposing such an alliance." Mr. Sarfaraz Khan, senior Vice-President of the defunct Pakistan Muslim League (Qayyum Group), said that all those who took active part in the Muslim League activities on the city, district and provincial levels during the Pakistan Movement should come forward and cooperate in uniting the patriotic elements. He also stressed the need to strengthen the hands of the Government to deal with the subversive elements. In another statement, Raja Mohammad Iqbal, Central President of the Jammu Kashmir Rajput Association, has endorsed the move to form a patriotic front and termed it as a "wise step". [Text] [Karachi DAWN in English 28 Oct 81 p 1]

ZIA ON 'PILLARS ON STRENGTH'--Rawalpindi, Oct 27: Firm faith, sophisticated armaments and equipment and intensive through professional training are the pillars of strength. In the presence of these pillars no hostile power can cast an evil eye on Pakistan," President Gen. Mohammad Zia-ul-Haq said in Risalpur today. President Gen. Mohammad Zia-ul-Haq, who is also the Chief of the Army Staff, was addressing serving and retired officers and jawans of the Corps of Engineers on the occasion of his installation as the First colonel-in-Chief of the Corps of Engineers. President Zia-ul-Haq said that Pakistan was passing through crucial times, and it was therefore imperative for every Pakistani, particularly the armed forces, to protect the country against external aggression and internal turmoil. [Excerpt] [Karachi DAWN in English 28 Oct 81 p 1]

AGREEMENT WITH U. S. OIL FIRM--Islamabad, Oct 28: A memorandum of understanding was signed here today between the Government of Pakistan and Union Texas Pakistan Inc., for sale of Union Texas share of crude oil from Khashkeli oilfield, about 100 miles east of Karachi. After commercial discovery expected in December, 1981, the Pakistan Government will acquire 40 per cent production of crude oil and also purchase Union Texas share of crude oil at a discounted price. It is planned to drill four wells in addition to the discovery well during current financial year at Khashkeli. These additional wells will not be only used for production of crude oil but also will give data for assessment of the potential of the entire field. The production and storage facilities are being established at the well site to initially transport the crude oil by bowzers to Karachi for refining.--APP. [Text] [Karachi DAWN in English 29 Oct 81 p 4]

LOANS TO INDUSTRIAL UNITS--The Board of Directors of the IDBP at the Meeting at Lahore yesterday sanctioned foreign and local currency loans amounting to Rs. 52.06 million for seven Industrial Projects, says a Press release. The projects are a new basis metal casting unit in District Sheikhpura to produce 2000 metric tons of alloy steel, special steel tools etc., two paper board manufacturing Units (both in Punjab) to produce 10,800 tons of packing board and packing paper; two cooking oil manufacturing units, one each in Sind and N. W. F. P., to produce 12,000 metric tons of cooking oil and 840 metric tons of black soap annually, balancing and modernisation of an existing towel manufacturing unit in District Sheikhpura; and a glass bottles and jar manufacturing unit in Punjab, has been enhanced. [Text] [Karachi DAWN in English 28 Oct 81 p 10]

JOURNALIST JAILED--Hyderabad, Oct 27: Mr Nisar Channa, former President of the Hyderabad Press Club, who had presented himself before the local Martial Law authorities, on Sunday, was later sent to the Nara jail, according to an unofficial report. Meanwhile, the President of Hyderabad Union of Journalists (Rashid Siddiqui group), Mr Badar Jalanvi, has appealed to the Martial Law authorities to consider Mr Channa's case sympathetically.--App. [Text] [Karachi DAWN in English 28 Oct 81 p 6]

POSTGRADUATE EDUCATION IN AGRICULTURE--Islamabad, Oct 28: A major programme of imparting post graduate education in agriculture will soon be introduced in the agricultural universities of the country, Dr. Amir Mohammad Chairman, Pakistan Agricultural Research Council, said here yesterday. He was speaking at the conclusion of the four-day Agriculture Research Conference. He said that PARC might extend financial help of four to five million rupees to the agricultural institutions to buy latest equipment and other material for laboratories and libraries. It will enable agricultural scientists to import higher education to agricultural students, he said. Though the future of science in our country is very bright, but still we are facing the shortage of trained manpower in the field of agriculture. [Excerpt] [Karachi DAWN in English 29 Oct 81 p 4]

CLARIFICATION OF CENSORSHIP STATEMENT--Rawalpindi, Oct. 25--President Gen. Mohammad Zia-ul-Haq, in his speech at a function in Lahore held in connection with the launching of a special number of Naqoosh had observed that literary and creative books were exempted from censor. A Section of Press today, however reported that the President having said that all books were exempted of censor this is incorrect. [Text] [Karachi MORNING NEWS in English 26 Oct 81 p 1]

JAPANESE ALCOHOL FUEL MISSION--Islamabad, Oct. 25--A six-member study mission of the International Institute of Energy Economics Japan, led by Mr Hitoshi Shozawa, yesterday held discussions with Dr M. Shafquat Hussain Siddiqui, Chairman,

Hydrocarbon Development Institute of Pakistan, on introduction of alcohol fuel in Pakistan. The mission which arrived here on Friday on ten-day study tour of the country, during discussions agreed to extend technical assistance to Pakistan for the development of alcohol fuel projects to meet the future energy needs including co-operation in the field of research. The mission members hoped Pakistan would be able to develop the projects by 1987-90 since it has big potentiality. The mission also appreciated the pace of industrial development in Pakistan.--APP [Text] [Karachi MORNING NEWS in English 26 Oct 81 p 3]

DELIVERY OF SHIPS FROM POLAND--Pakistan will press Poland to honour the contract for the delivery of eight ships, a PNSC source said last night. The source said that PNSC had signed a normal commercial agreement with the concerned Polish authorities for the construction and delivery of eight ships and had already made down payments of about five million dollars for the first two ships. Two ships built under that agreement were scheduled to be delivered on Oct 26 and PNSC had sent the necessary crew to Gdansk, who still were in Poland. The third ship built under the agreement has also completed necessary sea trials with the participation of Pakistani engineers. Replying to a question the source said that the PNSC would go for international arbitration to pursue its case as the concerned Polish agency had no right to renege on the agreement. Replying yet another question the source said that the PNSC had already agreed to a ten per cent increase in the cost of ships. Meanwhile, the PNSC Chairman, Rear Admiral A. W. Bhambal is leaving for London in a couple of days to get the delivery of the third vessel ordered from Britain--1800 DWT M. V. 'Ayubia'. He is also expected to address a Press conference there.--PPI. [Text] [Karachi DAWN in English 30 Oct 81 p 18]

STATE BANK RELAXES CREDIT RESTRICTIONS--The State Bank of Pakistan yesterday revised the credit restrictions superseding all previous instructions and thereby allowing a number of relaxations. According to the Bank's Press release advances against maize which were hitherto allowed to manufacturers of corn oil, and corn products only will now be admissible to other entities also. Similarly, advances against gram, other grains and pulses which were hitherto allowed to manufacturers of chicken feed only will now be admissible to other entities too. Ban on advances against Kariana items, spices, onions and potatoes, has been lifted. The condition of period restriction in respect of advances against paddy and rice to rice mills and authorised dealers and against wheat and wheat flour to flour mills has been withdrawn. Minimum margin requirement on advances to traders against tobacco has been reduced from 50 per cent to 25 per cent and against unspecified raw materials to traders from 75 per cent to 50 per cent. The minimum margin requirement on advances to manufacturing and processing units against finished goods has been scaled down from 35 per cent to 25 per cent. The minimum margin requirement on advances against bank deposits and deposit certificates has been reduced from 40 per cent to 25 per cent and against shares not quoted on recognised stock exchanges from 60 per cent to 50 per cent.--APP. [Text] [Karachi DAWN in English 30 Oct 81 p 14]

SIND TRACTOR CORPORATION--The Sind Government is examining the possibility of setting up of a tractor corporation to improve the working of tractors to boost farm production. At present, the Agricultural Department which has over 300 tractors at its disposal is not utilising the tractors properly. The farmers are also not satisfied as tractor services are not being made available. Another complaint is that most of the tractors are being engaged by the influential persons. Therefore, it has been suggested that to improve the working of the tractors the control of the tractors may be given to an autonomous corporation. A decision in this regard is likely to be taken by the Sind Government soon. [Text] [Karachi DAWN in English 22 Oct 81 p 4]

BAN ON ENTRY OF ULEMA--Sahiwal, Oct 29: The District Magistrate, Sahiwal, has banned entry of 31 Ulema in the district besides forbidding four Ulema to deliver any speech. Both the orders shall remain in force for two months. Those who have been forbidden from delivering speech are Maulana Habibullah, Maulana Meteeullah, Maulana Bashir Hussain Jafri and Maulana Mohammad Ramzan. Those who entry has been banned include Maulana Zameer Hussan, Maulana Alla Yar, Maulana Khadim Hussain, Maulana Qazi Saeedur Rehman, Maulana Abdus Sattar Taunsavi, Maulana Manzoor Ahmed Chinioti, Maulana Ziaul Qasimi and Maulana Manzoor Hussain Hyderabad. --PPI. [Text] [Karachi DAWN in English 30 Oct 81 p 12]

CHEAPER PULSES AT JUMA BAZARS--The Bureau of Supply and Prices (Sind) has announced that some of the leading importers of pulses have agreed to sell imported pulses at Juma Bazars in retail at rates lower than the prevailing market prices, says an official handout. The Juma Bazars will be held as usual from 9 a. m. to sunset at Hydari Bus Stop (North Nazimabad); Eidgah Ground, Shah Faisal (Drigh) Colony; Punjab Colony Ground (Gizri Road); and Motor Training Ground (Aziz Bhatti Park, Gulshan-i-Iqbal). [Text] [Karachi DAWN in English 30 Oct 81 p 14]

UK VEHICLE SERVICING PARTS--London, Oct 29: A company which makes vehicle servicing equipment ranging from hand-operated jacks to electronic engine performance analysers is to follow up a growing demand for its products in Pakistan with its first visit to the country in November. TI Transport Equipment Ltd., which sells to many parts of the world, will be represented on a trade mission from the Birmingham Chamber of Commerce Nov 14-21 by Mr David Leeming, export manager for the Far East Zone. Mr Leeming told LPS that in the past 18 months there had been an increasing demand in Pakistan for TI transport products and he was confident that the ranges he would be introducing would be of interest to the Pakistani vehicle maintenance industry and, where appropriate, to domestic users. [Text] [Karachi DAWN in English 30 Oct 81 p 17]

QUETTA GAS PIPELINE PROJECT--The work on Quetta Gas Pipeline project undertaken by the Sui Gas Transmission Company (SGTC) is proceeding ahead of schedule. A spokesman of the SGTC told APP here on Tuesday that Rs. 338.455 million project is due for completion towards the end of the next financial year. The pipeline would take off from the existing Indus Right Bank pipeline of SGTC and supply gas to Quetta and a number of towns en route namely, Jacobabad Jhatpat, Dera Murad Jamali Bellpat, Sibi, Bibi Nam Mach Kolpur Darwaza and Sairab. In pursuance of the directive of President Zia to provide natural gas to the inhabitants of Baluchistan, the project involving construction of pipeline of 12 inch diameter and nearly 350 kilometre in length was undertaken. The foreign exchange component of the project is being provided by the Kuwait Fund for Economic Assistance. The raw material including pipes would cost ten million dollars. The spokesman further said that two shipments of the pipeline had already arrived. The third shipment is due next month and the last in January next. The Federal Government has provided bridge financing from its own resources. --APP. [Text] [Karachi DAWN in English 22 Oct 81 p 3]

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